



OREGON
ASSOCIATION OF
NURSERIES

**Comments before the Joint Committee on Tax Credits
Senate Bill 132, Farmworker Housing Tax Credit
By Jeff Stone, Executive Director
Oregon Association of Nurseries
February 13, 2023**

Chairs Golden and Vice-Chair Girod and members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. OAN is please to support Senate Bill 132, which would extend the tax credit for farmworker housing.

The economic footprint of the nursery and greenhouse industry

The nursery and greenhouse industry remains the state's largest agricultural sector despite a severe economic downturn. As one of the top three nursery production states in the nation, with over \$1.1.9 billion (2020) in sales, our growers ship their products throughout the country. Nearly 75% of nursery stock grown in our state leaves our borders – with over half reaching markets east of the Mississippi River. Nursery association members represent wholesale and Christmas tree growers, retailers and greenhouse operations. Our members have spent generations as stewards of the state's natural resources. We believe that economic vitality can go hand in hand with sustainability and long-term environmental health. Our top grossing nursery operations reside within the counties of Clackamas, Marion, Washington, Yamhill and Multnomah. While we have statewide reach with the numerous agricultural suppliers, our main nursery operations footprint is from Boring to Medford.

Agriculture is a critical part of the Oregon economy. It represents 13% of the state's economy, creating over 618,000 jobs, and an Oregon State Board of Agriculture report estimates gross farm and ranch sales at \$5.01 billion for 2021.

A variety of tools and strategies are needed to create affordable housing opportunities in Oregon communities.

The Agriculture Workforce Housing Tax Credit has been a proven and effective part of the “toolkit” since 1989.

There are three key reasons why this tax credit serves an important public purpose and deserves extension:

- It helps provide stable workforce to support our \$5 billion agricultural economy.
- It leverages Federal and private investment, resulting in a net economic benefit to the State.
- It provides safe, decent affordable housing for the families who put food on our tables.

Who benefits from this credit?

- Farmworkers (and their families) benefit from safe, decent, affordable housing. Housing gives people an opportunity to build better lives
- Farmers receive a tax credit to help offset the cost of building on-farm housing; they increase efficiency and production, which benefits the economy
- Nonprofit developers of community-based housing are better able to provide safe, decent affordable housing
- State resources are leveraged by federal grants and loans, private investment
- Local economies benefit from the economic stimulus of housing construction and rehabilitation as well as a more stable local work force and communities

We don't have enough safe, decent and affordable housing for our agricultural workforce - we know that we are meeting only a small percentage of the need statewide. This leaves families and workers sleeping in cars, under bridges, or in fields. Or, it means that growers don't have workforce available when the crops are ripe.

Please support SB 132 and extend the Agriculture Workforce Housing Tax Credit. Thank you very much for your consideration, and do not hesitate to contact us if you have any questions.